LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

200 W. Washington, Suite 301 Indianapolis, IN 46204 (317) 233-0696 http://www.in.gov/legislative

FISCAL IMPACT STATEMENT

LS 6177 NOTE PREPARED: Nov 13, 2002

BILL NUMBER: HB 1357 BILL AMENDED:

SUBJECT: Regulation of Violent Video Games.

FIRST AUTHOR: Rep. Smith V BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

Summary of Legislation: The bill imposes certain requirements on an establishment that has violent or sexually explicit video games. It creates penalties for a person who: (1) presents false information in order to operate a restricted video game; or (2) misrepresents that the person is a parent, guardian, or custodian of a minor for the purpose of allowing a minor to operate a restricted video game. The bill makes it a Class B infraction for an establishment to violate the requirements of this law and imposes civil penalties for repeat offenses that occur within 90 days. The bill specifies that certain licensed areas, private industrial or office locations, private clubs, and riverboats are not subject to the requirements of this law.

Effective Date: July 1, 2003.

Explanation of State Expenditures:

Explanation of State Revenues: The bill would establish a Class B infraction for providing false information to operate an amusement machine harmful to children, for misrepresenting oneself as a parent, guardian, or custodian of a minor for the purpose of a minor operating a restricted video game, and for an establishment violating the provisions of the chapter. If additional court cases occur, revenue to the state General Fund may increase if infraction judgments and court fees are collected. The maximum judgment for a Class B infraction is \$1,000, which is deposited in the state General Fund. If court actions are filed and a judgment is entered, a court fee of \$70 would be assessed. 70% of the court fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Additionally, violation of the chapter would result in civil penalties: \$50 for an establishment who has not violated the section in the last 90 days; \$100 for a previous violation within the past 90 days; \$250 for two

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violations in the past 90 days; and \$500 for three or more violations within the past 90 days. If additional civil actions occur, revenue to the state General Fund may increase if court fees are collected. A civil filing fee of \$100 would be assessed when a civil case is filed. 70% of the filing fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

Explanation of Local Expenditures:

Explanation of Local Revenues: If additional court actions are filed and a judgment is entered or additional civil actions occur, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$70 court fee or \$100 filing fee for a civil action that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed for a Class B infraction and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed for a Class B infraction and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected:

Local Agencies Affected: Trial courts, local law enforcement agencies, city and town courts.

Information Sources:

Fiscal Analyst: Karen Firestone, 317-234-2106

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